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FEDERAL COURT GUILTY PLEA
IN ILLEGAL ASBESTOS REMOVAL IN MANHATTAN BUILDING

JAMES B. COMEY, the United States Attorney for the Southern District of New York, announced that NECHEMIA BLATTER, a New York State licensed asbestos inspector and the President of Araz, Inc., pled guilty today in Manhattan federal court to removing asbestos illegally from a building located at 19-23 St. Mark's Place, in Manhattan.

According to the Information, BLATTER caused asbestos, a hazardous air pollutant, to be removed from the building in violation of EPA-issued work practice standards. These work practice standards apply to building renovations involving at least 160 square feet of asbestos-containing material, and require that the EPA be notified at least 10 days before the asbestos removal.

According to the Information, EPA has specific rules requiring trained supervisors to be present at asbestos removal

jobs, and containing well-defined directives for handling asbestos in order to protect its handlers and the public.

In his guilty plea, BLATTER admitted that in December, 2001, in the name of Araz, Inc., he submitted a proposal to the developers of the building located at 19-23 St. Mark's Place for the removal of an approximately 5,515 square foot ceiling in the building which he knew contained asbestos.

According to BLATTER, Araz was awarded a contract which included the removal of the asbestos-containing ceiling, as well as other demolition work. BLATTER admitted that on March 21, 2002, he learned from a demolition subcontractor he had hired that a large portion of the asbestos-containing ceiling had fallen down, that the demolition work crew had cleaned up the debris from the collapse, but that some of the asbestos-containing ceiling remained. According to BLATTER, the demolition subcontractor made it clear to him that the asbestos clean-up and removal that had already been done had not been performed according to legal requirements, and that no government agencies had been notified of the collapse of the asbestos-containing ceiling.

BLATTER admitted that he agreed to hire a second subcontractor to remove the remaining asbestos-containing ceiling, and that he intended for that removal to be done without

the necessary government filings and without complying with the legal rules governing asbestos removals. According to BLATTER, he hired a second subcontractor, a worker who he knew had no training in asbestos handling and was not licensed to remove asbestos, to remove the remainder of the asbestos-containing ceiling during the weekend of March 23 and March 24, 2002.

BLATTER admitted that he did not provide the EPA with notice of the asbestos removal work in the building, that he knew that that asbestos removal would not be done in compliance with legal requirements, and that he also knew that he was responsible for ensuring that those legal requirements were met.

According to the Information, on March 23 and March 24, 2002, the worker hired by BLATTER, together with other workers under his supervision, removed the remainder of the asbestos ceiling. The Information charges that no one trained in the asbestos work practice standards was present when they did this work, and that the workers did not wet the ceiling before removing it, as they were required to do.

In addition, according to the charges, in violation of the EPA rules, the workers allowed the asbestos material to drop to the floor, and then swept it into openings through which it fell to the basement floor. According to the Information,

instead of sealing the asbestos material in leak-tight containers, as the rules require, the workers placed the asbestos material in open bins, which did not have labels warning about asbestos or its dangers, removed some of those bins and dumped them into a truck outside the building.

BLATTER faces a maximum sentence of five years in prison and a fine of \$250,000. Under the terms of the plea agreement under which he pled guilty, BLATTER will be permanently barred from the demolition and asbestos removal businesses.

United States District Judge DENNY CHIN scheduled sentencing for September 10, 2003.

BLATTER is 39.

Mr. COMEY praised the efforts of the FBI and of the EPA's Criminal Investigations Division in the investigation of this case. He also praised the New York City Department of Environmental Protection's Asbestos Control Program and the New York City Department of Sanitation's Environmental Police for their work in connection with the illegal asbestos removal.

Assistant United States Attorney ANNE C. RYAN is in charge of the prosecution.

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